SENATE RECORD VOTE ANALYSIS

104th Congress — May 23, 1996, 5:59 p.m.
2nd Session — **Vote No. 156** — Page S-5538 Temp. Record

BUDGET RESOLUTION/Final Passage

SUBJECT: **House Concurrent Budget Resolution for fiscal years 1997-2002 . . . H. Con. Res. 158. Final passage, as amended.**

ACTION: CONCURRENT RESOLUTION AGREED TO, 53-46

SYNOPSIS: As passed, H. Con. Res. 158, the House Concurrent Budget Resolution for fiscal years 1997-2002, will balance the Federal budget in fiscal year (FY) 2002 by slowing the overall rate of growth in spending over the next 6 years to below the rate of growth in revenue collections. The rate of growth in entitlements such as Medicare, Medicaid, the Aid to Families with Dependent Children program, and the Earned Income Credit will be slowed. No changes will be made to the Social Security program (for related debate, see vote Nos. 149-150). Additionally, a $500 per child tax credit will be provided, domestic discretionary spending will be kept at the level necessary to maintain programs at their FY 1996 level (see vote No. 153), and defense spending essentially will remain at its present level for the next 6 years (see vote No. 113).

(in billions)

F Y R e v e n u e s O u t l a y s D e f i c i t — -
1997$1,471$1,628$1571998$1,532$1,677$1451999$1,600$1,716$1162000$1,675$1,765$902001$1,755$1,800$452002$1,846$1,846$0 (surplus)

In addition to overall totals, budget resolutions contain totals for broad function categories. They do not dictate the amounts to be spent on specific programs, but they are based on assumptions of spending levels. Those spending levels may be based on assumed changes to current law. Reconciliation instructions in a budget resolution direct authorizing committees to suggest changes to current law in order to meet the assumed revenue and spending levels. Assumptions on which the totals in this resolution are based include the following:

- Welfare reform: comprehensive welfare reform consistent with the National Governors' Association proposals will be enacted, for 6 year savings of $53 billion; total welfare spending will grow from $85 billion in FY 1996 to $106 billion in FY 2002;
- Medicaid reform: comprehensive Medicaid reform consistent with the National Governors' Association proposals will be

(See other side)

YEAS (53)			NAYS (46)			NOT VOTING (1)	
Republicans (53 or 100%)		Democrats (0 or 0%)	Republicans (0 or 0%)	Democrats (46 or 100%)		Republicans (0)	Democrats (1)
Abraham	Helms			Akaka	Johnston		Bumpers-2
Ashcroft	Hutchison			Baucus	Kennedy		
Bennett	Inhofe			Biden	Kerrey		
Bond	Jeffords			Bingaman	Kerry		
Brown	Kassebaum			Boxer	Kohl		
Burns	Kempthorne			Bradley	Lautenberg		
Campbell	Kyl			Breaux	Leahy		
Chafee	Lott			Bryan	Levin		
Coats	Lugar			Byrd	Lieberman		
Cochran	Mack			Conrad	Mikulski		
Cohen	McCain			Daschle	Moseley-Braun		
Coverdell	McConnell			Dodd	Moynihan		
Craig	Murkowski			Dorgan	Murray		
D'Amato	Nickles			Exon	Nunn		
DeWine	Pressler			Feingold	Pell		
Dole	Roth			Feinstein	Pryor		
Domenici	Santorum			Ford	Reid		
Faircloth	Shelby			Glenn	Robb		
Frist	Simpson			Graham	Rockefeller		
Gorton	Smith			Harkin	Sarbanes		
Gramm	Snowe			Heflin	Simon		
Grams	Specter			Hollings	Wellstone		
Grassley	Stevens			Inouye	Wyden		
Gregg	Thomas						
Hatch	Thompson						
Hatfield	Thurmond						
	Warner						

EXPLANATION OF ABSENCE:
1—Official Buisiness
2—Necessarily Absent
3—Illness
4—Other

SYMBOLS:
AY—Announced Yea
AN—Announced Nay
PY—Paired Yea
PN—Paired Nay

enacted, for 6-year savings of $72 billion; total Medicaid spending will grow from $96 billion in FY 1996 to $140 billion in FY 2002;

- Medicare reform: comprehensive Medicare reform consistent with many of the market reforms for Part A advocated in last year's reconciliation bill and consistent with the President's suggested savings for Part B (though no explicit assumption is made about Part B premiums) will be enacted; the growth in spending will be reduced $158 billion over 6 years by slowing the annual rate of growth in Medicare to twice the rate of inflation, or 6.1 percent; total spending will grow from $196 billion in FY 1996 to $279 billion in FY 2002; spending per beneficiary will grown from $5,200 in FY 1996 to $7,000 in FY 2002;
- tax relief: $122 billion in tax relief will be provided to working American families by providing a $500 per child tax credit, which will be phased out for upper-income taxpayers; a reserve fund will be created for additional tax relief for middle class families and small businesses, relief from gasoline taxes, and incentives for saving and investment on a deficit-neutral basis;
- Defense: defense outlays will be $265 billion in FY 1997, and will climb slightly to $268 billion by FY 2002;
- Energy: the termination of the Energy Department is not assumed (the House assumed termination);
- Natural resources: the Superfund program and safe drinking water programs will have funding increases; the Park Service will receive full funding;
- Commerce: the termination of the Commerce Department is not assumed (the House assumed termination); the Savings Association Insurance Fund will be recapitalized;
- Education: $3.4 billion in savings will be achieved by capping student loan direct lending at 20 percent of total loan volume and by reducing subsidies to banks and guaranty agencies; FY 1997 education and training spending will by $1.7 billion higher than FY 1996 spending;
- Veterans: $13 billion more in budget authority will be provided for veterans' medical care than requested by the President; and
- Law enforcement: $5 billion in FY 1997 will be provided for the Violent Crime Reduction Trust Fund; the political appointment process for U.S. Marshals will be eliminated.

Budget enforcement and procedures:

- discretionary spending caps will be maintained through FY 2002, with separate caps for defense and nondefense discretionary spending; the point of order against transferring funds between defense and nondefense spending will be maintained (that point of order will be waivable by a three-fifths majority vote);
- the exemption given to emergency spending from the 60-vote point of order against exceeding a spending cap will be eliminated;
- revenue from asset sales that over time will result in a net loss of revenues for the Government will not be scored (see vote No. 145; for related debate, see vote No. 146); and
- up to three reconciliation bills will be considered; the first bill will make welfare and Medicaid reforms, and will be brought to the floor on June 14; if that bill is enacted, a second bill making Medicare and other direct spending reforms will be introduced on July 12; if that bill is enacted, a third reconciliation bill to provide the assumed family tax relief in this resolution will be brought to the floor on September 18.

Sense-of-the-Senate statements include that it is the sense of the Senate that--

- legislation on raising the minimum wage should be considered in conjunction with related issues, such as the Team Act (which will permit the formation of worker-management teams);
- concurrent resolutions should contain 30-year projections on their effect on entitlements, and the President's budget submission should contain similar projections, plus generational accounting information;
- President Clinton's 4.3-cent gas tax should be repealed, and the savings should be passed on to consumers;
- the Medicare trustees should stop delaying the issuance of their annual report on Medicare;
- the President's plan to transfer home health care services from Part A to Part B of Medicare would artificially inflate the solvency of the Part A trust fund and would increase the burden on general revenues by $55 billion (see vote No. 118);
- sufficient funding should be provided for programs to assist youths at risk of becoming drug users or violent criminals; priority should be given to such programs that can be objectively shown to work; such programs should be coordinated to eliminate duplication;
- budget savings in the mandatory spending area should be used to ensure the long-term solvency of Social Security, Medicare, and Medicaid, and to restore budget discipline in order to ensure the level of private investment necessary for long-term economic growth and prosperity;
- any Federal training will take place on Federal property unless Federal property is not available;
- sufficient funding will be provided to continue providing essential air service to eligible communities;
- legislation will be enacted to make the deductible limits for investment retirement accounts (IRA) for homemakers the same as the limits for other IRAs;
- the employer education assistance exclusion will be extended;
- fines for violating environmental laws should not be tax deductible;
- savings in student loans can be achieved without increasing costs to students or decreasing loan accessibility;
- any comprehensive welfare reform proposal that is adopted will, to the maximum extent possible, discourage out-of-wedlock

births and encourage family formation;

- Congress will not adopt any legislation that will increase the number of children who are hungry or homeless (see vote No. 127);
- States should be allowed to require welfare recipients to be drug-free as a condition of receiving welfare, and should be allowed to use random drug testing (see vote No. 133);
- the Davis Bacon Act should be reformed (see vote No. 135; for related debate, see vote No. 134);
- accurate inflation indices for Federal spending and revenues should be used (see vote No. 138);
- no provisions in this resolution should worsen the solvency of the Medicare trust fund;
- the current presidential campaign finance system should not be changed;
- any comprehensive strategy to balance the budget should also contain a strategy for reducing the national debt;
- funding for the Violent Crime Reduction Trust Fund will not be cut;
- the Clinton administration should vigorously prosecute drug smugglers (prosecutions have declined despite increased smuggling and increased funding from Congress to prosecute smugglers; see vote No. 143);
- .5 cent of the gas tax should be set aside for Amtrak capital spending (see vote No. 154); and
- when spectrum auctions are assumed in the budget resolution the Federal Communications Commission should act expeditiously to make sure they take place.

Sense-of-Congress statements include that it is the sense of Congress that--

- tax reductions should benefit working families;
- a bipartisan commission should be formed on the solvency of Medicare;
- funding for the National Institutes of Health should be increased for research into developing an anti-addiction drug;
- the existing prohibition against additional charges by providers under the Medicare program should be maintained in the reconciliation bill (see vote No. 130);
- changes should not be made to Federal nursing home standards in the reconciliation bill (see vote No. 132);
- Medicaid impoverishment rules should be maintained in the reconciliation bill (see vote No. 133);
- funds from the sale of Iraqi oil should be used to reimburse the United States for its military operations to protect Iraqi civilians from their government (see vote No. 137); and
- the Democrats' 1993 income tax increase on Social Security benefits should be repealed (see vote No. 142).

NOTE: Immediately prior to final passage, the Senate struck all after the enacting clause and inserted in lieu thereof the text of S.Con. Res. 57, as amended.

Those favoring final passage contended:

Last year Republicans put forth a bold and comprehensive plan for bringing the budget into balance without raising taxes and with substantial tax relief for working American families. President Clinton and his Democratic allies in Congress managed to stop the most important parts of that plan, the entitlement reforms, from being enacted. Their "victory," which is America's loss, is pyrrhic, even if they win again this year, and the next, and the next. Within a few years, they will have to join in enacting the type of entitlement reforms which we Republicans are proposing. However, by then the reforms will have to be harsh because the problem will have become much worse, especially for Medicare and Medicaid. Because of President Clinton and his fellow Democrats' actions today, in a few years it will not be possible to reform Medicare and Medicaid without cutting services or destroying the economy with massive tax increases or inflationary policies.

On one score, appropriations, Republicans won the battle last year. For the first time ever spending on appropriated accounts declined from 1 year to the next. Counting the rescission savings that Republicans made when they first took control of Congress in 1995, more than $40 billion in savings were achieved. Appropriations, though, are a peripheral issue, because they are not causing our escalating deficit. We cannot balance the budget by cutting appropriated accounts. Entitlement spending is growing so fast that by 2006, just 4 programs--Medicare, Medicaid, Social Security, and Federal retirement--plus interest on the debt will consume nearly all revenues. Raising revenues also is not the answer. Unsustainable tax rates would be required to keep up with the rate of growth in entitlement spending. A very large portion of the debt is short-term debt. If inflation rises, the deficit will explode. In a few years, world lenders may no longer be willing to support U.S. borrowing, and our economy will collapse. We may never reach 2001, when Medicare will be broke; we may never reach 2006, when virtually all non-entitlement spending will be paid for through borrowing; we may never reach 2013; when Social Security starts running in the red; we may never reach 2029, when Social Security will be insolvent.

Because of the appropriations savings that were made last year, we are still on the 7-year path to a balanced budget that Republicans proposed last year. For that reason, it is still possible to make reforms in Medicare, Medicaid, and welfare that will improve those programs, that will ensure Medicare solvency for at least 10 years, and that will lower the rates of spending increases sufficient to balance the budget. Basically, those appropriations cuts bought us a little time. This year, we are not making appropriations cuts. We are freezing those spending levels. If we do not make entitlement reforms this year, next year the deficit will be much worse, and every year thereafter it will grow. The choice will then be either to make reforms, and to make reforms that are harsh, or to allow the country to go bankrupt.

Republicans have not, and will not, back away from the hard choices that are necessary. Many Democrats in Congress, also, understand the need for reform and this year many of them have responsibly joined the debate by supporting a credible, bipartisan alternative to this budget resolution. That alternative, though, had no chance of being adopted because the President, and many congressional Democrats, are not willing to compromise. If that compromise had been accepted it would have been demagoged by President Clinton, especially for its proposal to change the consumer price index.

President Clinton has shown no willingness to enter the debate on how to balance the budget and reform entitlements. He issued a gimmick budget this year that made an accounting change to extend Medicare solvency instead of doing anything substantive to fix its uncontrolled growth, and that proposed enormous, unspecified cuts in discretionary spending in 2001 and 2002 in order to claim a balanced budget. His Director of Office and Management and Budget has been reportedly telling agencies not to worry, that cuts are not really planned in their accounts. Is the President keeping two sets of books?

The budget cannot be balanced, Medicare and Social Security cannot be saved from insolvency, and welfare and Medicaid cannot be reformed by juggling the books. Real reforms are needed, and this budget resolution plans on those reforms being made. We urge Senators to vote for its adoption.

Those opposing final passage contended:

The Republicans have offered yet another harsh plan to balance the budget. From welfare, to Medicaid, to Medicare, they have again proposed a plan to balance the budget on the backs of the poor. Those cuts are far more severe than they need to be because this budget also assumes that tax cuts will be given. In contrast, the President has a balanced budget plan, as scored by the Congressional Budget Office (CBO), that is fair to working Americans, and that protects the neediest among us. Last year, our colleagues challenged the President to come up with a CBO-scored balanced budget, and this year he has risen to that challenge. The argument cannot be said to be about the goal anymore--now the only question is what our priorities will be in achieving that goal. Our Republican colleagues have not been willing to negotiate. They have given us another extreme budget that they know that we and the President will not be able to accept. Again, instead of working to find compromise priorities, they have chosen a path of confrontation. We of course oppose this budget resolution.